

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6198

BILL NUMBER: HB 1042

NOTE PREPARED: Nov 13, 2002

BILL AMENDED:

SUBJECT: City Courts and Distribution of Court Fees.

FIRST AUTHOR: Rep. Ruppel

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill has the following provisions:

(A) It makes city courts courts of record.

(B) It reduces from 20% to 15% the percentage of the collected fees the clerk of a city or town court distributes each month to the county auditor as the county share.

(C) It increases from 25% to 30% the percentage of the collected court fees the city or town fiscal officer retains as the city or town share.

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: *Provision A:* The 2001 Judicial Report indicates that 48 city courts existed in Indiana as of January 1, 2001. Requiring these courts to include all decisions on record would likely require the cities to invest in additional recording equipment and hire court reporters and clerical staff. The 2001 Judicial report indicates that of the existing 48 city courts, only 15 city courts had secretaries and 7 city courts had court reporters.

In addition, judges of circuit, superior, county, and municipal courts in Indiana are required by law to be attorneys. Presumably, judges of all city courts would be required to be attorneys, as well, if city courts are courts of record. Under current law, the following city court judges are already required to be attorneys: Anderson city court, Carmel city court, any city court located in Lake County, Muncie city court, and

Noblesville city court.

City courts are funded by court fees, civil penalties, and other administration fees.

Explanation of Local Revenues: *Provision B and C:* As specified by statute, revenue from city and town courts is distributed in the following manner to state, county, and municipal general funds: 55% is deposited in the state General Fund, 20% is deposited in county general funds, and 25% is deposited in municipal general funds. A shift in 5% of the revenue is an estimated \$630,000. Consequently, a total of \$630,000 would be shifted from the general funds in 37 counties to the general funds of 75 municipalities that have city or town courts.

State Agencies Affected:

Local Agencies Affected: City and town courts are in these counties: Allen, Blackford, Boone, Carroll, Clark, Clinton, Dearborn, Dekalb, Delaware, Elkhart, Fountain, Grant, Hamilton, Hendricks, Henry, Jasper, Jay, Johnson, Knox, Lake, Madison, Miami, Morgan, Randolph, Ripley, Saint Joseph, Spencer, Starke, Steuben, Tippecanoe, Tipton, Vermillion, Vigo, Wabash, Wayne, Wells, and White.

Information Sources: *2001 Indiana Judicial Report*; Office of the State Auditor; Indiana Constitution, Article 7, Section 7; IC 33-13-9-1; IC 33-8-1-18; IC 33-10.1-5-7.

Fiscal Analyst: Mark Goodpaster, 317-232-9852